



# San Jose Arena Authority

**Annual Meeting of the Board of Directors  
San Jose City Hall  
City Manager's Conference Room  
17<sup>th</sup> Floor  
200 East Santa Clara Street  
San Jose, CA  
December 7, 2016  
4:00 pm**

## **Agenda**

### **Expected Board Attendees**

Matthew Bright	John Kennett
Scott Bruner	Raul Peralez
David Buchholz	Colleen Reilly
Jonathan Clough	Kathy Sutherland
Eileen Consiglio	Eva Terrazas
Sarah Finn	Vinni Walia
Loren Haley Skeen	Rusty Weekes
Leslee Hamilton	Leland Wilcox
Carl Honaker	

### **Staff**

Chris Morrissey (Executive Director)  
Shelly Wang (Administrative Assistant)  
Elizabeth Klotz (Deputy City Attorney)

### **Guests**

Rich Sotelo (Sharks Sports & Entertainment)

- 1. Call to Order/Roll Call/Introductions**
- 2. General Business**
  - a. Review and Approve October 2016 Board Meeting Minutes
  - b. Accept Verbal Report on Downtown Transit and Development Projects (Haley Skeen)
- 3. Executive Director and Staff Reports**
  - 3.1. *Executive Director (Morrissey)*
    - a. Accept Reports on Arena Authority Oversight
      - SAP Center at San Jose
      - Solar4America Ice at San Jose
      - San Jose Municipal Stadium (Verbal)
    - b. Accept Verbal Reports on Arena Authority Administrative Issues
      - City Council Representative
      - South Campus Operations Team
  - 3.2. *Administrative Assistant (Wang)*
    - a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose
    - b. Accept Verbal Report on Activities at Solar4America Ice at San Jose

**4. Committee Reports**

- 4.1. *Standing Executive Committee/Organizational Oversight Committee (Chair: Hamilton)*
  - a. Accept Report on Board Member Committee Appointments
- 4.2. *Standing Finance Committee (Chair: Bright)*
  - a. Review and Approve July, August, and September Financial Statements
  - b. Review and Approve FY 2015-16 Arena Authority Financial Statements
- 4.3. *Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)*
  - a. Accept Verbal Report on 2016 San Jose Sports Hall of Fame Program
- 4.4. *Standing Facilities Committee (Co-Chairs: Buchholz, Clough)*
  - a. Accept Verbal Report on FY 2017-18 Capital Budget Planning for SAP Center at San Jose and Solar4America Ice at San Jose
  - b. Accept Report of October Invoice Submittals for Completed Capital Projects for SAP Center at San Jose
- 4.5. *Standing San Jose Municipal Stadium Committee (Co-Chairs: Honaker, Kennett)*
  - a. Accept Verbal Reports on the Status of Current Stadium Capital Projects and the Planning for the FY 2017-18 Municipal Stadium Capital Budget
- 4.6. *Ad Hoc Board Recruitment Committee (Chair: Sutherland)*
  - a. Accept Verbal Report on Current Board Vacancy
- 4.7. *Standing Community Programs Committee (Co-Chairs: Bright, Terrazas)*
  - a. Accept Verbal Report on City and Community Events Program Applicants

**5. Open Forum**

**6. Adjournment**

All public records relating to an open session on this agenda, which are not exempt from disclosure pursuant to the California Public Records Act, that are distributed to a majority of the legislative body will be available for public inspection at the office of the San Jose Arena Authority, SAP Center at San Jose, 525 W. Santa Clara Street, San Jose CA 95113 at the same time that the public records are distributed or made available to the legislative body.

To request an accommodation or alternative format for City-sponsored meetings, events or printed materials, please contact the San Jose Arena Authority at 408-977-4780 or 408-977-4779 (TTY) or contact [wang@sjaa.com](mailto:wang@sjaa.com) as soon as possible but at least three business days before the meeting/event.

November 18, 2016

# San Jose Arena Authority

**Regular Meeting of the Board of Directors**  
**SAP Center at San Jose**  
**President's Room**  
**525 W. Santa Clara Street**  
**San Jose, CA**  
**October 26, 2016**  
**4:00 pm**

## Meeting Minutes

### Board Members in Attendance

Matthew Bright	Carl Honaker
David Buchholz	John Kennett
Jonathan Clough	Raul Peralez
Eileen Consiglio	Kathy Sutherland
Sarah Finn	Vinni Walia
Loren Haley Skeen	Rusty Weekes

### Staff in Attendance

Chris Morrissey (Executive Director)  
Shelly Wang (Administrative Assistant)

### Guests in Attendance

Mike McCarroll (Sharks Sports & Entertainment)  
Rich Sotelo (Sharks Sports & Entertainment)

### Board Members Not in Attendance

Scott Bruner	Eva Terrazas
Leslee Hamilton	Leland Wilcox
Colleen Reilly	

1. **Call to Order/Roll Call/Introductions.** The Arena Authority convened the Regular Meeting of the Board of Directors at SAP Center at San Jose at 4:04 pm.
2. **General Business**
  - a. Review and Approve September 2016 Board Meeting Minutes. 8 Approvals, 1 Abstention (Buchholz), (Honaker not yet arrived).
  - b. Accept Verbal Report on Downtown Transit and Development Projects (Haley Skeen). City Manager liaison Loren Haley Skeen provided updates on transit and development projects in the vicinity of SAP Center at San Jose.
3. **Executive Director and Staff Reports**
  - 3.1. Executive Director (Morrissey)
    - a. Accept Reports on Arena Authority Oversight.
      - SAP Center at San Jose (Verbal). The Sharks opened their 2016-17 season. In the City suite for the opening game were organizations that work to find housing for homeless military veterans. Work continues on projects east of Route 87, including the realignment of Julian/St. James streets.
      - Solar4America Ice at San Jose. The City Council approved the renaming of Sharks Ice at San Jose to Solar4America Ice at San Jose. Sign graphics featuring the new name will be provided in the December Board meeting materials.

- San Jose Municipal Stadium (Verbal). Planning for the repair of the exterior fence and the sewer lines is underway. With the demolition of the SJSU baseball stadium, the Spartans baseball team is currently practicing at Municipal Stadium.
- b. Accept Verbal Reports on Arena Authority Administrative Issues.
  - City Council Representative. It is expected that a new City Council representative will be assigned to the Board by January 2017.
  - South Campus Operations Team. Numerous events have been planned this fall at many of the facilities in the south campus area. Construction continues at the new SJSU golf facility. The facility is expected to open in early 2017.

3.2. Administrative Assistant (Wang)

- a. Accept Report on Recent and Upcoming Events at SAP Center at San Jose. The Barracuda season home opener will be played on October 28. Sharks will play Stanley Cup Finals rival Pittsburgh Penguins on November 5. A Kanye West concert is scheduled for November 17.
- b. Accept Verbal Report on Activities at Solar4America Ice at San Jose. Solar4America Ice at San Jose will host the 2016 International Silver Stick San Jose Regional Tournament November 24-27.
- c. Accept Report on the Submittal of the FY 2015-16 Arena Ticket Distribution Program Report. The Arena Authority has submitted the FY 2015-16 Arena Ticket Distribution Program Report to the City Manager's Office for distribution to the City Council and all other appropriate parties.

4. Committee Reports

4.1. Standing Executive Committee/Organizational Oversight Committee (Chair: Hamilton)

- a. Accept Verbal Report on Board Member Committee Appointments. Arena Authority staff will work with Board Chair Leslee Hamilton on committee appointments.
- b. Accept Verbal Report on December Annual Meeting. The Arena Authority Annual Meeting will take place on Wednesday, December 7 at a location to be determined.

4.2. Standing Finance Committee (Chair: Bright)

- a. Review and Approve June Financial Statements. 10 approvals.
- b. Accept Verbal Report on Preparation of the FY 2015-16 Financial Statements. The FY 2015-2016 financial compilation is currently being prepared for Board review.

4.3. Standing San Jose Sports Hall of Fame Committee (Chair: Reilly)

- a. Accept Verbal Report on 2016 San Jose Sports Hall of Fame Program. The 2016 San Jose Sports Hall of Fame Induction Ceremony is scheduled for Wednesday, November 2.

4.4. Standing Facilities Committee (Chair: Clough)

- a. Accept Verbal Report on Capital Budget Planning for SAP Center at San Jose and Solar4America Ice at San Jose for FY 2017-18. Preparation of the FY 2017-18 capital budgets is currently underway.

4.5. Standing San Jose Municipal Stadium Committee

- a. Accept Verbal Report on Capital Improvement Planning for Municipal Stadium. The San Jose Giants are currently in the process of preparing a capital budget for FY 2017-18.

- 4.6. Ad Hoc Board Recruitment Committee (Chair: Sutherland)
- a. Accept Report on Current Board Vacancy. Due to relocating out of the area, Noelle Vergara has resigned her position on the Arena Authority Board. Recruitment for the current Board vacancy will occur at a later date.
  - b. Review and Approve Board Candidate for Board Secretary. Eva Terrazas was elected as the Arena Authority Board Secretary with 10 approvals.
- 4.7. Standing Community Programs Committee
- a. Accept Report on City and Community Events Program Applicant:
    - San Jose Sports Authority/San Jose Sports Hall of Fame. See agenda item 4.7.a.
5. **Open Forum.** Rich Sotelo, Sharks Sports & Entertainment Vice President of Building Operations, reported that SAP Center at San Jose is currently undergoing a Wi-Fi upgrade with anticipated completion by December 1. Additionally, a stadium vision project with new wiring throughout SAP Center at San Jose is scheduled to go live by January 1, 2017.
6. **Adjournment.** The meeting adjourned at 4:39 pm.

Submitted by:



Shelly Wang

## Diridon Area Projects

SJAA Board Meeting  
December 7, 2016  
Agenda Item 3.1.a.

Project	Led By	Key Partners
Airport People Mover (APM)	VTA	Cities of San Jose & Santa Clara, California High Speed Rail Authority, & San Jose International Airport
California High Speed Rail (San Francisco to San Jose Project)	California High Speed Rail Authority	Caltrain, City of San Jose, VTA & High Speed Rail corridor cities
California High Speed Rail (San Jose to Merced Project)	California High Speed Rail Authority	Caltrain, City of San Jose, VTA & High Speed Rail corridor cities
Diridon Station Area Plan (2014)	City of San Jose	SAP Center/SJ Sharks & transit operators
Diridon Transportation Facilities Master Plan	VTA	Caltrain, City of San Jose, California High Speed Rail Authority, & all transit operators
Interim Parking Study	City of San Jose	Caltrain, California High Speed Rail Authority, SJ Sharks, & VTA
Los Gatos Bridge Replacement (Formerly known as South Terminal Phase III)	Caltrain	Altamont Corridor Express, Capitol Corridor, City of San Jose, California High Speed Rail Authority, & VTA
Peninsula Corridor Electrification Project	Caltrain	City of San Jose, California High Speed Rail Authority, Metropolitan Transportation Commission, San Francisco County Transportation Authority, San Mateo County Transportation Authority, Transbay Joint Powers Authority, VTA & City College of San Francisco
VTA's BART Silicon Valley Phase II Project	VTA	BART, City of San Jose, & City of Santa Clara

## Introduction to Project

### Airport People Mover (APM)

Building on previous VTA and City of San Jose studies, a Conceptual Alternatives Analysis study for the Airport People Mover project is being pursued. This study would further define the route options and vehicle technology and develop a funding/business plan. The Conceptual Alternative Analysis would also include evaluation of a link between Diridon Station and airport facilities, as well as a link between Santa Clara Caltrain and the future BART station with airport facilities. The project is planned to get started in Spring 2017.

### California High Speed Rail (San Francisco to San Jose Project)

The San Francisco to San Jose section of California's high-speed train project is nearly 50 miles. Starting in downtown San Francisco, the high-speed train will travel along the Caltrain alignment into the Silicon Valley where it connects with the San Jose to Merced section at San Jose's Diridon Train Station. The blended system will support modernized Caltrain service and high-speed rail service primarily on shared track largely within the existing Caltrain corridor. Stations are planned for San Francisco, Millbrae and San Jose. There is also the potential for a midline station in Redwood City, Palo Alto or Mountain View.

### California High Speed Rail (San Jose to Merced Project)

The San Jose to Merced Project Section is part of the first phase of the California High-Speed Rail System that will provide a critical rail link between the Silicon Valley and the Central Valley. The approximately 84-mile project section will travel between stations in San Jose and Gilroy and (after passing through the Central Valley Wye) north to Merced or south to Fresno. The focus of the San Jose to Merced Project Section is the area between San Jose and the Central Valley Wye, – the Central Valley Wye alignment and alignment connections to Merced and Fresno are part of the Merced to Fresno Section.

### Diridon Station Area Plan (2014)

The City of San José, in coordination with the San Jose Redevelopment Agency, the Santa Clara Valley Transportation Authority, and other local and regional transportation agencies, developed a plan for a half-mile radius around Diridon Station (approximately 500 acres of land). The objective of this process was to provide a vision and framework for higher intensity / transit-oriented development (TOD) in the area. The plan was adopted in 2014.

### Diridon Transportation Facilities Master Plan

The existing, historic Diridon Station in San Jose is a major transit hub with Amtrak, Altamont Commuter Express (ACE), Caltrain and VTA light rail and bus service. With the addition of BART and CAHSR as well as expanded Caltrain, ACE and Amtrak Capitol Corridor and Amtrak service, the future Diridon Transportation Center will become one of the busiest multi-modal stations in North America. Redevelopment of the surrounding area is accelerating, providing opportunities to integrate development with the station itself. The San Jose Diridon Transportation Facilities Master Plan project is a critical building block to achieving the potential of this station and the surrounding area. The purpose of the Master Plan is to develop a program for transportation services at the future Diridon Transportation Center, and identify multimodal improvements to access the Transportation Center.

### Interim Parking Study

City of San Jose has hired a consultant to work with a task force representing each of the transit agencies and the City to evaluate potential parking opportunities and solutions to assist transit operations and surrounding businesses during the period of public and private construction projects in the Diridon Area. This time period is presumed to be between now and 2025 with the opening of the BART and HSR projects at Diridon. Four sites are under evaluation for cost of delivery, amount of potential parking, and operational support. The study will be complete in November and reported out to the JPAB in December.

### Los Gatos Bridge Replacement (Formerly known as South Terminal Phase III)

The Los Gatos Bridge Replacement project will replace the 1935 railroad bridge crossing at Los Gatos Creek in San Jose in order to maintain safe rail operations. The project will also include installation of a tail track south of the San Jose Diridon station. The tail track will provide improved operations at the station, minimize system-wide delays, and facilitate Caltrain Modernization.

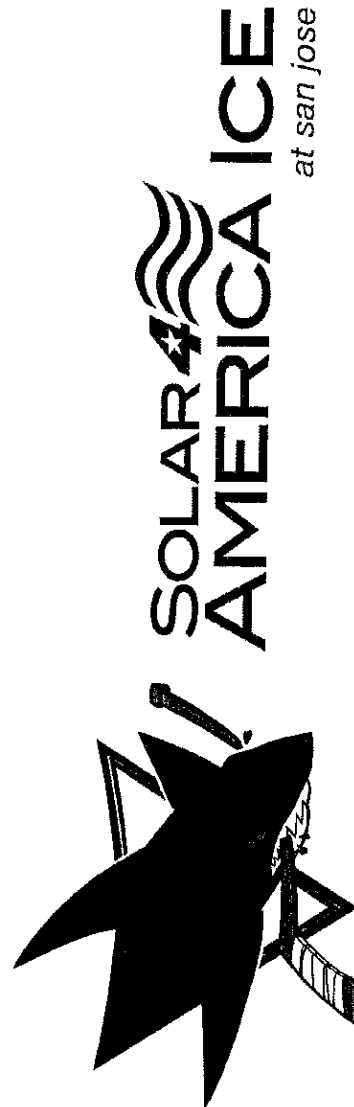
### Peninsula Corridor Electrification Project

The PCEP would electrify the Caltrain Corridor from San Francisco's 4th and King Caltrain Station to approximately the Tamien Caltrain Station, convert diesel-hauled to Electric Multiple Unit (EMU) trains, and increase service up to six Caltrain trains per peak hour per direction.

### VTA's BART Silicon Valley Phase II Project

VTA's BART Silicon Valley Phase II 6-mile extension would begin at the terminus of VTA's BART Silicon Valley Phase I—Berryessa Extension Project east of U.S. Highway 101 and south of Mabury Road in the City of San Jose. The BART extension would descend into an approximately 5-mile-long subway tunnel with underground stations at Alum Rock/28th Street, Downtown San Jose and Diridon, and terminate at grade in the City of Santa Clara near the Caltrain Station at the Santa Clara station. Passenger service for the BART extension is planned to begin in 2026.

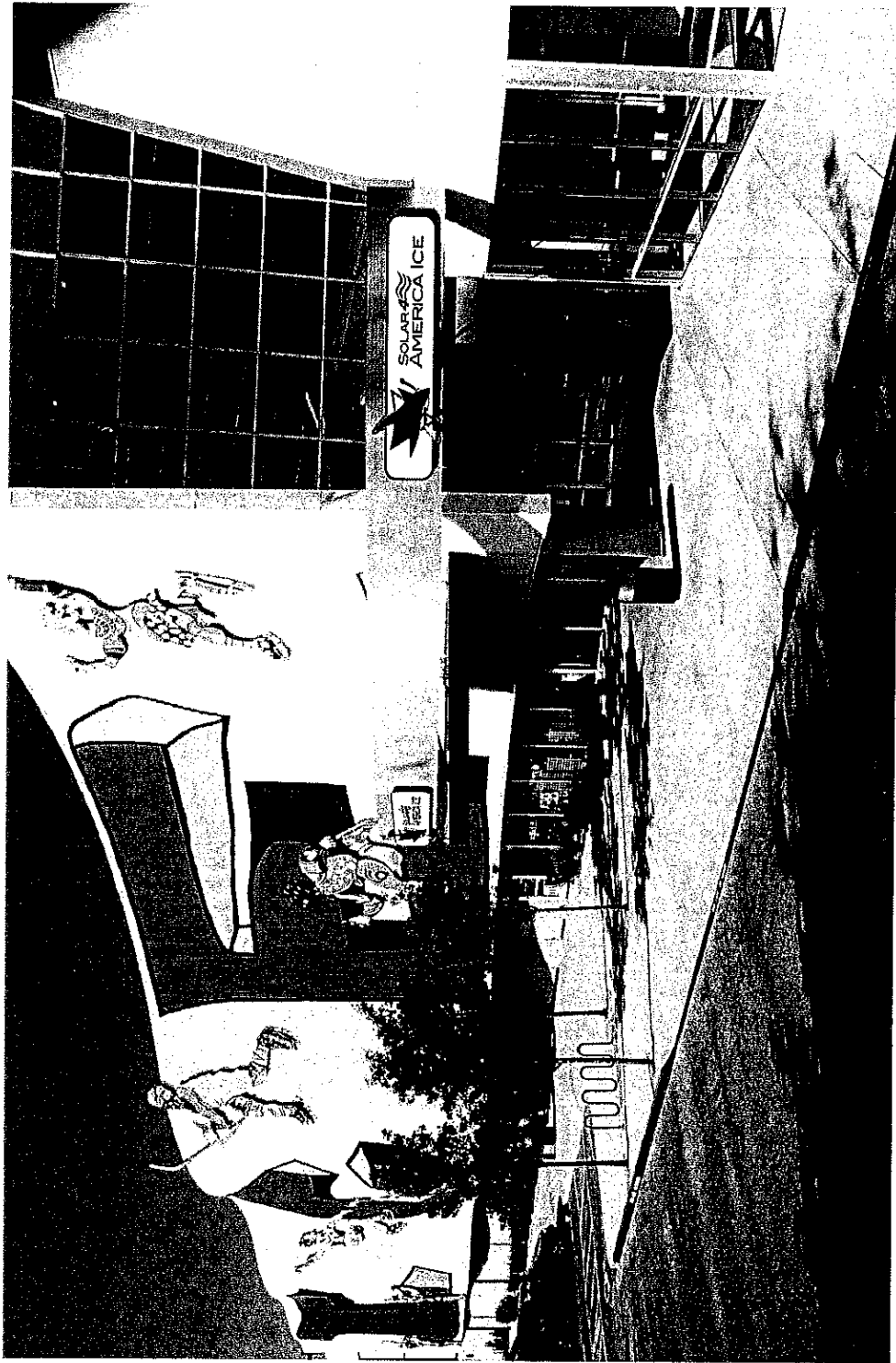
jkeppel.



primary logos.



jkeppel.  
creative strategies.



main entry canopy •

jkeppel.  
creative strategies



rink 4 entry canopy •

# COMING EVENTS

Event Information: 408-287-9200  
Ticketmaster: 800-745-3000



SJAA Board Meeting  
December 7, 2016  
Agenda Item 3.2.a.

NOVEMBER

SUN	MON	TUE	WED	THU	FRI	SAT
		1	2	3 Sharks vs. Calgary	4 Marc Anthony	5 Barracuda vs. San Antonio 1:15pm
6 Barracuda vs. San Antonio	7	8	9	7:30pm	8:00pm \$81.00 - \$161.00	Sharks vs. Pittsburgh 7:30pm
9:00pm 13 Tony Robbins**	14	15	16	10 Tony Robbins**	11 Tony Robbins**	12 Tony Robbins**
				12:00pm \$650.00 - \$2995.00	8:30am \$650.00 - \$2995.00	8:30am \$650.00 - \$2995.00
9:00am \$650.00 - \$2995.00	21 Sharks vs. New Jersey	22	23 Sharks vs. Chicago	17 Kanye West	18	19 Bellator MMA
20	7:30pm		7:00pm	24	25 Sharks vs. NY Islanders 1:00pm	26 Sharks vs. Anaheim
					Barracuda vs. Bakersfield 6:00pm	7:30pm
27	28	29 Sharks vs. Arizona	30	*Visit <a href="http://sharks.nhl.com">http://sharks.nhl.com</a> for information on single-game ticket prices. **Visit <a href="https://www.tonyrobbins.com">https://www.tonyrobbins.com</a> for ticket information		
		7:00pm				

DECEMBER

SUN	MON	TUE	WED	THU	FRI	SAT
*Visit <a href="http://sharks.nhl.com">http://sharks.nhl.com</a> for information on single-game ticket prices.				1 Jingle Ball	2 Sharks vs. Montreal	3 Triple Ho 7.0
				7:30pm \$44.00-\$114.00	7:30pm	7:00pm \$39.50 - \$149.50
4	5	6	7 Sharks vs. Ottawa	8 Barracuda vs. Stockton	9	10 Barracuda vs. San Diego 1:15pm
			7:30pm	7:00pm		Sharks vs. Carolina 7:30pm
11 Barracuda vs. San Diego	12	13	14 Stevie Nicks	15 Cirque Musica 2016	16	17 Barracuda vs. Bakersfield
3:00pm			7:00pm \$49.50 - \$150.00	7:30pm \$37.00 - \$88.00		7:00pm
18 Barracuda vs. Ontario	19	20 Barracuda vs. Stockton 1:15pm	21	22	23 Sharks vs. Edmonton	24
3:00pm		Sharks vs. Calgary 7:30pm			7:30pm	
25	26 Barracuda vs. Stockton	27	28	29	30 Sharks vs. Philadelphia	31 Barracuda vs. Bakersfield
	5:00pm				7:00pm	8:00pm

JANUARY

SUN	MON	TUE	WED	THU	FRI	SAT
1	2	3 Sharks vs. Los Angeles	4 Barracuda vs. San Antonio	5 Sharks vs. Minnesota	6 Barracuda vs. Milwaukee	7 Barracuda vs. Tucson 1:15pm
		7:00pm	7:00pm	7:30pm	7:00pm	Sharks vs. Detroit 7:30pm
8	9	10	11	12	13 Barracuda vs. Ontario	14 Barracuda vs. Stockton 1:30pm
					7:00pm	Sharks vs. St. Louis 7:30pm
15 Harlem Globetrotters	16 Sharks vs. Winnipeg 1:00pm	17	18	19 Sharks vs. Tampa Bay	20 Harlem Globetrotters	21 Sharks vs. Colorado
2:00pm \$17.00 - \$159.00	Barracuda vs. Bakersfield 6:00pm			7:30pm	7:30pm \$17.00 - \$159.00	7:30pm
22 Harlem Globetrotters	23	24	25	26 Sharks vs. Edmonton	27	28
2:00pm \$17.00 - \$159.00				7:30pm		
29	30	31 Sharks vs. Chicago	*Visit <a href="http://sharks.nhl.com">http://sharks.nhl.com</a> for information on single-game ticket prices.			
		7:30pm				

Group Tickets are available for groups of 15 or more to many events.  
For more information, please contact our Group Sales Department at 408-999-5841 or 408-977-4723.  
525 West Santa Clara Street San Jose California 95113 [www.sapcenter.com](http://www.sapcenter.com)



# San Jose Arena Authority

## Standing and Ad Hoc Committees November 2016

### EXECUTIVE & FINANCE (Standing)

Meeting Date: Fourth Wednesday, 3:30 pm

Chair: Leslee Hamilton Vice Chair: John Kennett

Treasurer: Matthew Bright Secretary: Eva Terrazas

### FACILITIES (Standing)

David Buchholz, Co-Chair

Jonathan Clough, Co-Chair

Scott Bruner

Sarah Finn

Carl Honaker

Vinni Walia

### COMMUNITY PROGRAMS (Standing)

Eva Terrazas, Co-Chair

Matthew Bright, Co-Chair

Leslee Hamilton

John Kennett

Colleen Reilly

Kathy Sutherland

### SAN JOSE MUNICIPAL STADIUM (Standing)

John Kennett, Co-Chair

Carl Honaker, Co-Chair

Scott Bruner

David Buchholz

Sarah Finn

Vinni Walia

### ORGANIZATIONAL OVERSIGHT (Ad Hoc)

Leslee Hamilton, Chair

Matthew Bright

Eileen Consiglio

Eva Terrazas

### BOARD RECRUITMENT (Ad Hoc)

Kathy Sutherland, Chair

Jonathan Clough

Eileen Consiglio

Rusty Weekes

### SPORTS HALL OF FAME (Standing)

Meeting Date: Generally first Wednesday, 12:00 noon

Colleen Reilly, Chair

Rusty Weekes

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
For the Month Ended July 31, 2016

	CITY FUND CURRENT MONTH	CITY FUND ACTUAL YTD	UNRESTRICTED FUND CURRENT MONTH	UNRESTRICTED FUND ACTUAL YTD	EQUIPMENT FUND CURRENT MONTH	EQUIPMENT FUND ACTUAL YTD
<b>REVENUE</b>						
City Funding	\$ 16,183.33	\$ 16,183.33	-	-	-	-
Additional Rent Sharks Ice	3,808.33	3,808.33	-	-	-	-
Ticket Revenue	0.00	0.00	0.00	0.00	-	-
Transfer between funds	0.00	0.00	0.00	-	-	-
Interest Earnings	2.50	2.50	3.52	3.52	-	-
Total Revenue	<u>19,994.16</u>	<u>19,994.16</u>	<u>3.52</u>	<u>3.52</u>	<u>0.00</u>	<u>0.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>						
Salaries	8,213.04	8,213.04	-	-	-	-
Payroll Taxes	756.81	756.81	-	-	-	-
Benefits	530.77	530.77	-	-	-	-
Vehicle Operation	184.62	184.62	-	-	-	-
Subtotal	<u>9,685.24</u>	<u>9,685.24</u>	-	-	-	-
<b>PROFESSIONAL SERVICES</b>						
Contractual Services	0.00	0.00	-	-	-	-
Bookkeeping Services	250.00	250.00	-	-	-	-
CPA/Annual Audit Services	0.00	0.00	-	-	-	-
Subtotal	<u>250.00</u>	<u>250.00</u>	-	-	-	-
<b>PROGRAM EXPENSES</b>						
Staff/Board Development	0.00	0.00	-	-	-	-
Business Meetings/Meals	23.66	23.66	-	-	-	-
Subtotal	<u>23.66</u>	<u>23.66</u>	<u>0.00</u>	<u>0.00</u>	-	-
<b>GENERAL OPERATIONS</b>						
Insurance	426.84	426.84	-	-	-	-
Equipment Lease/Maintenance/PO Box	66.81	66.81	-	-	-	-
Supplies/Postage	22.56	22.56	-	-	-	-
Telephone/FAX	75.84	75.84	-	-	-	-
Subscriptions/Dues	0.00	0.00	-	-	-	-
Depreciation	0.00	0.00	-	-	-	-
Miscellaneous Operating Reserve	48.75	48.75	-	-	93.81	93.81
Subtotal	<u>640.80</u>	<u>640.80</u>	-	-	-	-
Total Expenses	<u>10,599.70</u>	<u>10,599.70</u>	<u>0.00</u>	<u>0.00</u>	<u>93.81</u>	<u>93.81</u>
Excess Revenue over (under) Expenses	9,394.46	9,394.46	3.52	3.52	-93.81	-93.81
Fund Balance, Beginning	-6,181.19	-6,181.19	24,503.31	24,503.31	4,597.52	4,597.52
Prior Year AJE's Adj to Beg Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balance, Ending	<u>\$ 3,213.27</u>	<u>\$ 3,213.27</u>	<u>\$ 24,506.83</u>	<u>\$ 24,506.83</u>	<u>\$ 4,503.71</u>	<u>\$ 4,503.71</u>

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
For the Month Ended July 31, 2016

SJAA Board Meeting  
December 7, 2016  
Agenda Item 4.2.a.

	CITY FUND CURRENT MONTH	CITY FUND ACTUAL YTD	UNRESTRICTED FUND CURRENT MONTH	UNRESTRICTED FUND ACTUAL YTD	EQUIPMENT FUND CURRENT MONTH	EQUIPMENT FUND ACTUAL YTD
<b>REVENUE</b>						
City Funding	\$ 16,183.33	\$ 16,183.33	\$ -	\$ -	\$ -	\$ -
Additional Rent: Sharks Ice	3,808.33	3,808.33	-	-	-	-
Ticket Revenue	0.00	0.00	0.00	0.00	-	-
Transfer between funds	0.00	0.00	0.00	-	-	-
Interest Earnings	2.50	2.50	3.52	3.52	-	-
Total Revenue	<u>19,994.16</u>	<u>19,994.16</u>	<u>3.52</u>	<u>3.52</u>	<u>0.00</u>	<u>0.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>						
Salaries	8,213.04	8,213.04	-	-	-	-
Payroll Taxes	756.81	756.81	-	-	-	-
Benefits	530.77	530.77	-	-	-	-
Vehicle Operation	184.62	184.62	-	-	-	-
Subtotal	<u>9,685.24</u>	<u>9,685.24</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PROFESSIONAL SERVICES</b>						
Contractual Services	0.00	0.00	-	-	-	-
Bookkeeping Services	250.00	250.00	-	-	-	-
CPA/Annual Audit Services	0.00	0.00	-	-	-	-
Subtotal	<u>250.00</u>	<u>250.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>PROGRAM EXPENSES</b>						
Staff/Board Development	0.00	0.00	-	-	-	-
Business Meetings/Meals	23.66	23.66	-	-	-	-
Subtotal	<u>23.66</u>	<u>23.66</u>	<u>0.00</u>	<u>0.00</u>	<u>-</u>	<u>-</u>
<b>GENERAL OPERATIONS</b>						
Insurance	426.84	426.84	-	-	-	-
Equipment Lease/Maintenance/PO Box	66.81	66.81	-	-	-	-
Supplies/Postage	22.56	22.56	-	-	-	-
Telephone/FAX	75.84	75.84	-	-	-	-
Subscriptions/Dues	0.00	0.00	-	-	-	-
Depreciation	0.00	0.00	-	-	-	-
Miscellaneous Operating Reserve	48.75	48.75	-	-	93.81	93.81
Subtotal	<u>640.80</u>	<u>640.80</u>	<u>-</u>	<u>-</u>	<u>93.81</u>	<u>-</u>
Total Expenses	<u>10,599.70</u>	<u>10,599.70</u>	<u>0.00</u>	<u>0.00</u>	<u>93.81</u>	<u>93.81</u>
Excess Revenue over (under) Expenses	9,394.46	9,394.46	3.52	3.52	-93.81	-93.81
Fund Balance, Beginning	-6,181.19	-6,181.19	24,503.31	24,503.31	4,597.52	4,597.52
Prior Year AJE's Adj to Beg Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balance, Ending	<u>\$ 3,213.27</u>	<u>\$ 3,213.27</u>	<u>\$ 24,506.83</u>	<u>\$ 24,506.83</u>	<u>\$ 4,503.71</u>	<u>\$ 4,503.71</u>

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
City and Unrestricted Fund  
For the Month Ended July 31, 2016

	ACTUAL	BUDGET	YTD ACTUAL	YTD BUDGET	ANNUAL BUDGET
<b>REVENUE</b>					
City Funding	\$ 16,183.33	\$ 16,183.33	\$ 16,183.33	\$ 16,183.33	\$ 194,200.00
Additional Rent Sharks Ice	3,808.33	3,808.33	3,808.33	3,808.33	45,700.00
Ticket Revenue	0.00	0.00	0.00	0.00	0.00
Transfer between funds	0.00	0.00	0.00	0.00	0.00
Interest Earnings	6.02	8.33	6.02	8.33	100.00
Total Revenue	<u>19,997.68</u>	<u>20,000.00</u>	<u>19,997.68</u>	<u>20,000.00</u>	<u>240,000.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>					
Salaries	8,213.04	15,575.00	8,213.04	15,575.00	186,900.00
Payroll Taxes	756.81	1,214.83	756.81	1,214.83	14,578.00
Benefits	530.77	1,091.67	530.77	1,091.67	13,100.00
Vehicle Operation	184.62	200.00	184.62	200.00	2,400.00
Subtotal	<u>9,685.24</u>	<u>18,081.50</u>	<u>9,685.24</u>	<u>18,081.50</u>	<u>216,978.00</u>
<b>PROFESSIONAL SERVICES</b>					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Bookkeeping Services	250.00	291.67	250.00	291.67	3,500.00
CPA/Annual Audit Services	0.00	225.00	0.00	225.00	2,700.00
Subtotal	<u>250.00</u>	<u>516.67</u>	<u>250.00</u>	<u>516.67</u>	<u>6,200.00</u>
<b>PROGRAM EXPENSES</b>					
Staff/Board Development	0.00	0.00	0.00	0.00	0.00
Business Meetings/Meals	23.66	583.33	23.66	583.33	7,000.00
Subtotal	<u>23.66</u>	<u>583.33</u>	<u>23.66</u>	<u>583.33</u>	<u>7,000.00</u>
<b>GENERAL OPERATIONS</b>					
Insurance	426.84	750.00	426.84	750.00	9,000.00
Equipment Lease/Maintenance/PO Box	66.81	250.00	66.81	250.00	3,000.00
Supplies/Postage	22.56	250.00	22.56	250.00	3,000.00
Telephone/FAX	75.84	125.00	75.84	125.00	1,500.00
Subscriptions/Dues	0.00	0.00	0.00	0.00	0.00
Miscellaneous Operating Reserve	48.75	250.00	48.75	250.00	3,000.00
Subtotal	<u>640.80</u>	<u>1,625.00</u>	<u>640.80</u>	<u>1,625.00</u>	<u>19,500.00</u>
Total Expenses	<u>10,599.70</u>	<u>20,806.50</u>	<u>10,599.70</u>	<u>20,806.50</u>	<u>249,678.00</u>
Excess Revenue over (under) Expenses	<u>9,397.98</u>	<u>-806.50</u>	<u>9,397.98</u>	<u>-806.50</u>	<u>-9,678.00</u>
City/Unrestricted Fund Balance, Beg	18,322.12	18,322.12	18,322.12	18,322.12	18,322.12
Equipment/Furnishings	0.00	0.00	0.00	0.00	0.00
City/Unrestricted Fund Balance, End	<u>\$ 27,720.10</u>	<u>\$ 17,515.62</u>	<u>\$ 27,720.10</u>	<u>\$ 17,515.62</u>	<u>\$ 18,322.12</u>

SAN JOSE ARENA AUTHORITY  
Combined Balance Sheet  
August 31, 2016

	CITY FUND	UNRESTRICTED FUND	EQUIPMENT FUND	TOTAL
ASSETS				
Cash				
Accounts Receivable	\$ 204,985.99	24,510.84	\$ -	\$ 229,496.83
Prepaid Assets	0.00	-	-	0.00
Office Furniture & Fixtures, Net	2,909.77	-	4,409.90	2,909.77
	-	-		4,409.90
TOTAL ASSETS	\$ 207,895.76	\$ 24,510.84	\$ 4,409.90	\$ 236,816.50
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ 499.44	-	-	\$ 499.44
Accrued Liabilities	5,754.71	-	-	5,754.71
Deferred revenues	195,616.68	-	-	195,616.68
TOTAL LIABILITIES	201,870.83	0.00	0.00	201,870.83
Restricted	6,024.93	0.00	0.00	6,024.93
Unrestricted	0.00	24,510.84	0.00	24,510.84
Net investment in equipment	0.00	0.00	4,409.90	4,409.90
TOTAL LIABILITIES AND FUND BALANCES	\$ 207,895.76	\$ 24,510.84	\$ 4,409.90	\$ 236,816.50



SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
For the Two Months Ended August 31, 2016

SJAA Board Meeting  
December 7, 2016  
Agenda Item 4.2.a.

	CITY FUND CURRENT MONTH	CITY FUND ACTUAL YTD	UNRESTRICTED FUND CURRENT MONTH	UNRESTRICTED FUND ACTUAL YTD	EQUIPMENT FUND CURRENT MONTH	EQUIPMENT FUND ACTUAL YTD
<b>REVENUE</b>						
City Funding	\$ 16,183.33	\$ 32,366.66	-	-	-	-
Additional Rent Sharks Ice	3,808.33	7,616.66	-	-	-	-
Ticket Revenue	0.00	0.00	0.00	0.00	-	-
Transfer between funds	0.00	0.00	0.00	-	-	-
Interest Earnings	4.95	7.45	4.01	7.53	-	-
Total Revenue	<u>19,996.61</u>	<u>39,990.77</u>	<u>4.01</u>	<u>7.53</u>	<u>0.00</u>	<u>0.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>						
Salaries	14,178.88	22,391.92	-	-	-	-
Payroll Taxes	1,108.96	1,865.77	-	-	-	-
Benefits	445.22	975.99	-	-	-	-
Vehicle Operation	191.62	376.24	-	-	-	-
Subtotal	<u>15,924.68</u>	<u>25,609.92</u>	-	-	-	-
<b>PROFESSIONAL SERVICES</b>						
Contractual Services	0.00	0.00	-	-	-	-
Bookkeeping Services	250.00	500.00	-	-	-	-
CPA/Annual Audit Services	0.00	0.00	-	-	-	-
Subtotal	<u>250.00</u>	<u>500.00</u>	-	-	-	-
<b>PROGRAM EXPENSES</b>						
Staff/Board Development	0.00	0.00	-	-	-	-
Business Meetings/Meals	119.00	142.66	-	-	-	-
Subtotal	<u>119.00</u>	<u>142.66</u>	<u>0.00</u>	<u>0.00</u>	-	-
<b>GENERAL OPERATIONS</b>						
Insurance	426.84	853.68	-	-	-	-
Equipment Lease/Maintenance/PO Box	66.81	133.62	-	-	-	-
Supplies/Postage	265.78	288.34	-	-	-	-
Telephone/FAX	85.84	161.68	-	-	-	-
Subscriptions/Dues	0.00	0.00	-	-	-	-
Depreciation	0.00	0.00	-	-	-	-
Miscellaneous Operating Reserve	46.00	94.75	-	-	93.81	187.62
Subtotal	<u>891.27</u>	<u>1,532.07</u>	-	-	-	-
Total Expenses	<u>17,184.95</u>	<u>27,784.65</u>	<u>0.00</u>	<u>0.00</u>	<u>93.81</u>	<u>187.62</u>
Excess Revenue over (under) Expenses	2,811.66	12,206.12	4.01	7.53	-93.81	-187.62
Fund Balance, Beginning	3,213.27	-6,181.19	24,506.83	24,503.31	4,503.71	4,597.52
Prior Year AJE's Adj to Beg Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balance, Ending	<u>\$ 6,024.93</u>	<u>\$ 6,024.93</u>	<u>\$ 24,510.84</u>	<u>\$ 24,510.84</u>	<u>\$ 4,409.90</u>	<u>\$ 4,409.90</u>

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
City and Unrestricted Fund  
For the Two Months Ended August 31, 2016

	ACTUAL	BUDGET	YTD ACTUAL	YTD BUDGET	ANNUAL BUDGET
<b>REVENUE</b>					
City Funding	\$ 16,183.33	\$ 16,183.33	\$ 32,366.66	\$ 32,366.67	\$ 194,200.00
Additional Rent Sharks Ice	3,808.33	3,808.33	7,616.66	7,616.67	45,700.00
Ticket Revenue	0.00	0.00	0.00	0.00	0.00
Transfer between funds	0.00	0.00	0.00	0.00	0.00
Interest Earnings	8.96	8.33	14.98	16.67	100.00
Total Revenue	<u>20,000.62</u>	<u>20,000.00</u>	<u>39,998.30</u>	<u>40,000.00</u>	<u>240,000.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>					
Salaries	14,178.88	15,575.00	22,391.92	31,150.00	186,900.00
Payroll Taxes	1,108.96	1,214.83	1,865.77	2,429.67	14,578.00
Benefits	445.22	1,091.67	975.99	2,183.33	13,100.00
Vehicle Operation	191.62	200.00	376.24	400.00	2,400.00
Subtotal	<u>15,924.68</u>	<u>18,081.50</u>	<u>25,609.92</u>	<u>36,163.00</u>	<u>216,978.00</u>
<b>PROFESSIONAL SERVICES</b>					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Bookkeeping Services	250.00	291.67	500.00	583.33	3,500.00
CPA/Annual Audit Services	0.00	225.00	0.00	450.00	2,700.00
Subtotal	<u>250.00</u>	<u>516.67</u>	<u>500.00</u>	<u>1,033.33</u>	<u>6,200.00</u>
<b>PROGRAM EXPENSES</b>					
Staff/Board Development	0.00	0.00	0.00	0.00	0.00
Business Meetings/Meals	119.00	583.33	142.66	1,166.67	7,000.00
Subtotal	<u>119.00</u>	<u>583.33</u>	<u>142.66</u>	<u>1,166.67</u>	<u>7,000.00</u>
<b>GENERAL OPERATIONS</b>					
Insurance	426.84	750.00	853.68	1,500.00	9,000.00
Equipment Lease/Maintenance/PO Box	66.81	250.00	133.62	500.00	3,000.00
Supplies/Postage	265.78	250.00	288.34	500.00	3,000.00
Telephone/FAX	85.84	125.00	161.68	250.00	1,500.00
Subscriptions/Dues	0.00	0.00	0.00	0.00	0.00
Miscellaneous Operating Reserve	46.00	250.00	94.75	500.00	3,000.00
Subtotal	<u>891.27</u>	<u>1,625.00</u>	<u>1,532.07</u>	<u>3,250.00</u>	<u>19,500.00</u>
Total Expenses	<u>17,184.95</u>	<u>20,806.50</u>	<u>27,784.65</u>	<u>41,613.00</u>	<u>249,678.00</u>
Excess Revenue over (under) Expenses	<u>2,815.67</u>	<u>-806.50</u>	<u>12,213.65</u>	<u>-1,613.00</u>	<u>-9,678.00</u>
City/Unrestricted Fund Balance, Beg	27,720.10	17,515.62	18,322.12	18,322.12	18,322.12
Equipment/Furnishings	0.00	0.00	0.00	0.00	0.00
City/Unrestricted Fund Balance, End	<u>\$ 30,535.77</u>	<u>\$ 16,709.12</u>	<u>\$ 30,535.77</u>	<u>\$ 16,709.12</u>	<u>\$ 18,322.12</u>

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
For the Three Months Ended September 30, 2016

SJAA Board Meeting  
December 7, 2016  
Agenda Item 4.2.a.

	CITY FUND CURRENT MONTH	CITY FUND ACTUAL YTD	UNRESTRICTED FUND CURRENT MONTH	UNRESTRICTED FUND ACTUAL YTD	EQUIPMENT FUND CURRENT MONTH	EQUIPMENT FUND ACTUAL YTD
<b>REVENUE</b>						
City Funding	\$ 16,183.33	\$ 48,549.99	-	-	-	-
Additional Rent Sharks Ice	3,808.33	11,424.99	-	-	-	-
Ticket Revenue	0.00	0.00	0.00	0.00	-	-
Transfer between funds	0.00	0.00	0.00	-	-	-
Interest Earnings	4.23	11.68	3.65	11.18	-	-
Total Revenue	<u>19,995.89</u>	<u>59,986.66</u>	<u>3.65</u>	<u>11.18</u>	<u>0.00</u>	<u>0.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>						
Salaries	22,001.25	44,393.17	-	-	-	-
Payroll Taxes	1,622.01	3,487.78	-	-	-	-
Benefits	340.02	1,316.01	-	-	-	-
Vehicle Operation	283.93	660.17	-	-	-	-
Subtotal	<u>24,247.21</u>	<u>49,857.13</u>	-	-	-	-
<b>PROFESSIONAL SERVICES</b>						
Contractual Services	0.00	0.00	-	-	-	-
Bookkeeping Services	250.00	750.00	-	-	-	-
CPA/Annual Audit Services	0.00	0.00	-	-	-	-
Subtotal	<u>250.00</u>	<u>750.00</u>	-	-	-	-
<b>PROGRAM EXPENSES</b>						
Staff/Board Development	0.00	0.00	-	-	-	-
Business Meetings/Meals	180.91	323.57	-	-	-	-
Subtotal	<u>180.91</u>	<u>323.57</u>	<u>0.00</u>	<u>0.00</u>	-	-
<b>GENERAL OPERATIONS</b>						
Insurance	440.33	1,294.01	-	-	-	-
Equipment Lease/Maintenance/PO Box	66.81	200.43	-	-	-	-
Supplies/Postage	5.95	294.29	-	-	-	-
Telephone/FAX	85.84	247.52	-	-	-	-
Subscriptions/Dues	0.00	0.00	-	-	-	-
Depreciation	0.00	0.00	-	-	93.81	281.43
Miscellaneous Operating Reserve	98.95	193.70	-	-	-	-
Subtotal	<u>697.88</u>	<u>2,229.95</u>	-	-	<u>93.81</u>	<u>281.43</u>
Total Expenses	<u>25,376.00</u>	<u>53,160.65</u>	<u>0.00</u>	<u>0.00</u>	<u>93.81</u>	<u>281.43</u>
Excess Revenue over (under) Expenses	-5,380.11	6,826.01	3.65	11.18	-93.81	-281.43
Fund Balance, Beginning	6,024.93	-6,181.19	24,510.84	24,503.31	4,409.90	4,597.52
Prior Year AJE's Adj to Beg Fund Balance	0.00	0.00	0.00	0.00	0.00	0.00
Fund Balance, Ending	<u>\$ 644.82</u>	<u>\$ 644.82</u>	<u>\$ 24,514.49</u>	<u>\$ 24,514.49</u>	<u>\$ 4,316.09</u>	<u>\$ 4,316.09</u>

SAN JOSE ARENA AUTHORITY  
Statement of Revenue, Expenses, and  
Changes in Fund Balance  
City and Unrestricted Fund  
For the Three Months Ended September 30, 2016

	ACTUAL	BUDGET	YTD ACTUAL	YTD BUDGET	ANNUAL BUDGET
<b>REVENUE</b>					
City Funding	\$ 16,183.33	\$ 16,183.33	\$ 48,549.99	\$ 48,550.00	\$ 194,200.00
Additional Rent Sharks Ice	3,808.33	3,808.33	11,424.99	11,425.00	45,700.00
Ticket Revenue	0.00	0.00	0.00	0.00	0.00
Transfer between funds	0.00	0.00	0.00	0.00	0.00
Interest Earnings	7.88	8.33	22.86	25.00	100.00
Total Revenue	<u>19,999.54</u>	<u>20,000.00</u>	<u>59,997.84</u>	<u>60,000.00</u>	<u>240,000.00</u>
<b>PERSONNEL AND RELATED EXPENSES</b>					
Salaries	22,001.25	15,575.00	44,393.17	46,725.00	186,900.00
Payroll Taxes	1,622.01	1,214.83	3,487.78	3,644.50	14,578.00
Benefits	340.02	1,091.67	1,316.01	3,275.00	13,100.00
Vehicle Operation	283.93	200.00	660.17	600.00	2,400.00
Subtotal	<u>24,247.21</u>	<u>18,081.50</u>	<u>49,857.13</u>	<u>54,244.50</u>	<u>216,978.00</u>
<b>PROFESSIONAL SERVICES</b>					
Contractual Services	0.00	0.00	0.00	0.00	0.00
Bookkeeping Services	250.00	291.67	750.00	875.00	3,500.00
CPA/Annual Audit Services	0.00	225.00	0.00	675.00	2,700.00
Subtotal	<u>250.00</u>	<u>516.67</u>	<u>750.00</u>	<u>1,550.00</u>	<u>6,200.00</u>
<b>PROGRAM EXPENSES</b>					
Staff/Board Development	0.00	0.00	0.00	0.00	0.00
Business Meetings/Meals	180.91	583.33	323.57	1,750.00	7,000.00
Subtotal	<u>180.91</u>	<u>583.33</u>	<u>323.57</u>	<u>1,750.00</u>	<u>7,000.00</u>
<b>GENERAL OPERATIONS</b>					
Insurance	440.33	750.00	1,294.01	2,250.00	9,000.00
Equipment Lease/Maintenance/PO Box	66.81	250.00	200.43	750.00	3,000.00
Supplies/Postage	5.95	250.00	294.29	750.00	3,000.00
Telephone/FAX	85.84	125.00	247.52	375.00	1,500.00
Subscriptions/Dues	0.00	0.00	0.00	0.00	0.00
Miscellaneous Operating Reserve	98.95	250.00	193.70	750.00	3,000.00
Subtotal	<u>697.88</u>	<u>1,625.00</u>	<u>2,229.95</u>	<u>4,875.00</u>	<u>19,500.00</u>
Total Expenses	<u>25,376.00</u>	<u>20,806.50</u>	<u>53,160.65</u>	<u>62,419.50</u>	<u>249,678.00</u>
Excess Revenue over (under) Expenses	<u>-5,376.46</u>	<u>-806.50</u>	<u>6,837.19</u>	<u>-2,419.50</u>	<u>-9,678.00</u>
City/Unrestricted Fund Balance, Beg	30,535.77	16,709.12	18,322.12	18,322.12	18,322.12
Equipment/Furnishings	0.00	0.00	0.00	0.00	0.00
City/Unrestricted Fund Balance, End	<u>\$ 25,159.31</u>	<u>\$ 15,902.62</u>	<u>\$ 25,159.31</u>	<u>\$ 15,902.62</u>	<u>\$ 18,322.12</u>

SAN JOSE ARENA AUTHORITY  
Combined Balance Sheet  
September 30, 2016

	CITY FUND	UNRESTRICTED FUND	EQUIPMENT FUND	TOTAL
ASSETS				
Cash	\$ 183,048.08	24,514.49	\$ -	\$ 207,562.57
Accounts Receivable	0.00	-	-	0.00
Prepaid Assets	2,469.44	-	-	2,469.44
Office Furniture & Fixtures, Net	-	-	4,316.09	4,316.09
TOTAL ASSETS	\$ 185,517.52	24,514.49	\$ 4,316.09	\$ 214,348.10
LIABILITIES AND FUND BALANCE				
Accounts Payable	\$ 3,492.97	-	\$ -	\$ 3,492.97
Accrued Liabilities	5,754.71	-	-	5,754.71
Deferred revenues	175,625.02	-	-	175,625.02
TOTAL LIABILITIES	184,872.70	0.00	0.00	184,872.70
Restricted	644.82	0.00	0.00	644.82
Unrestricted	0.00	24,514.49	0.00	24,514.49
Net investment in equipment	0.00	0.00	4,316.09	4,316.09
TOTAL LIABILITIES AND FUND BALANCES	\$ 185,517.52	\$ 24,514.49	\$ 4,316.09	\$ 214,348.10

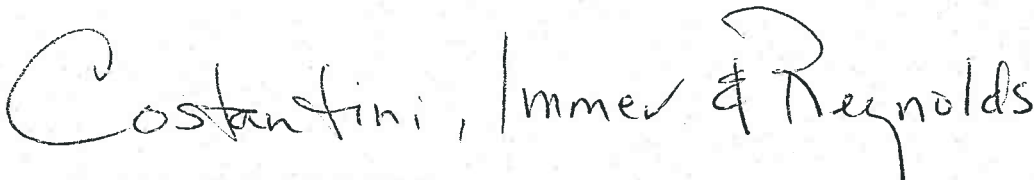
**SAN JOSE ARENA AUTHORITY**

**FINANCIAL STATEMENTS**

**June 30, 2016**

To the Board of Directors of the  
San Jose Arena Authority

Management is responsible for the accompanying financial statements of San Jose Arena Authority (a non-profit corporation), which comprise the statement of financial position as of June 30, 2016, and the related statements of activity and cash flows for the year ended, and the related notes to the financial statements in accordance with U.S. generally accepted accounting principles. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.



COSTANTINI, IMMER & REYNOLDS  
SAN JOSE, CA

November 11, 2016

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**STATEMENT OF FINANCIAL POSITION**  
**June 30, 2016**

**ASSETS**

**Current Assets:**

Cash	\$ 27,089
Prepaid insurance	<u>3,763</u>
Total Current Assets	30,852

**Office Equipment, Furniture and Fixtures, Net of  
Accumulated Depreciation of \$59,409**

4,670

Total Assets

\$ 35,522

**LIABILITIES AND NET ASSETS**

**Current Liabilities:**

Accounts payable	\$ 173
Accrued liabilities	<u>12,463</u>
Total Current Liabilities	<u>12,636</u>

**Net Assets:**

Unrestricted	22,886
Temporarily restricted	<u>0</u>
Total Net Assets	<u>22,886</u>

Total Liabilities and Net Assets

\$ 35,522



**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended June 30, 2016**

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
<b>Support and Revenues:</b>			
City of San Jose	\$ -	\$ 234,284	\$ 234,284
Arena seat revenue	10,041	-	10,041
Interest income	25	27	52
Donated services	7,597	-	7,597
Satisfaction of purpose restrictions	<u>234,311</u>	<u>(234,311)</u>	<u>-</u>
Total Support and Revenues	<u>251,974</u>	<u>-</u>	<u>251,974</u>
<b>Expenses:</b>			
Program expenses:			
Oversight of Arena	55,117	-	55,117
Ticket Distribution	24,956	-	24,956
Community Programs	33,675	-	33,675
Oversight of Ice Center	35,046	-	35,046
Oversight of Muni Stadium	35,046	-	35,046
South Campus Program	26,286	-	26,286
Administrative	<u>24,805</u>	<u>-</u>	<u>24,805</u>
Total Expenses	<u>234,931</u>	<u>-</u>	<u>234,931</u>
Increase in Net Assets	17,043	-	17,043
<b>Net Assets:</b>			
Beginning of year	<u>5,843</u>	<u>-</u>	<u>5,843</u>
End of Year	<u>\$ 22,886</u>	<u>\$ 0</u>	<u>\$ 22,886</u>

See independent accountant's compilation report

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**For the Year Ended June 30, 2016**  
**STATEMENT OF FUNCTIONAL EXPENSES**

	Program Services						Total
	Oversight of Arena	Ticket Distribution	Community Programs	Oversight of Ice Center	Oversight of Muni Stadium	South Campus Program	Administrative Expenses
Wages	\$ 44,737	\$ 21,488	\$ 25,438	\$ 29,825	\$ 29,825	\$ 22,368	\$ 179,820
Payroll taxes and employee benefits	4,199	2,017	2,388	2,799	2,800	2,100	16,879
Vehicle	694	40	352	464	463	347	2,373
Accounting	0	0	0	0	0	0	5,700
Board support expenses	0	0	0	0	0	0	3,411
Meetings	965	0	0	0	0	0	1,931
Advocacy support	1,583	0	3,826	0	0	0	5,409
Depreciation	262	126	149	175	175	131	1,054
Insurance	1,304	624	742	867	866	653	5,235
Equipment rental	476	229	271	318	317	238	1,914
Repairs and maintenance	162	78	91	107	108	81	649
Office supplies	260	125	148	174	174	130	1,047
Telephone and internet	380	183	216	254	254	190	1,529
Miscellaneous	95	46	54	63	64	48	383
Donated services	0	0	0	0	0	0	7,597
Total Expenses	<u>\$ 55,117</u>	<u>\$ 24,956</u>	<u>\$ 33,675</u>	<u>\$ 35,046</u>	<u>\$ 35,046</u>	<u>\$ 26,286</u>	<u>\$ 234,931</u>
							<u>\$ 24,805</u>

See independent accountant's compilation report

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended June 30, 2016**

**Cash Flows From Operating Activities:**

Increase in Net Assets	\$ 17,043
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	1,054
Prepaid Insurance	112
Advance	62
Accounts payable	(684)
Accrued liabilities	<u>(855)</u>
Net Cash Provided By Operating Activities	16,733

**Cash Flows From Investing Activities:**

Purchase of property and equipment	(2,477)
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**Cash Flows From Financing Activities**

-

Net Increase in Cash	14,256
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**Cash:**

Beginning of year	<u>12,833</u>
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End of Year	<u>\$ 27,089</u>
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**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2016**  
(See Independent Accountant's Compilation Report)

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization:**

The San Jose Arena Authority (the SJAA) was formed by resolution of the San Jose City Council to represent the City's interest in the oversight and operation of SAP Center at San Jose. The SJAA also serves as the City's community liaison concerning the day-to-day management and operation of SAP Center at San Jose. Additionally, the SJAA was designated by the San Jose City Council to evaluate the operations and management of Sharks Ice at San Jose, San Jose Municipal Stadium and the South Campus Operations Program.

**Basis of Accounting:**

The financial statements of the SJAA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. The SJAA reports information regarding their financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets as follows:

**Unrestricted Net Assets**—Net assets that are not subject to donor-imposed stipulations.

**Temporarily Restricted Net Assets**—Net assets subject to donor-imposed stipulations that may or will be met either by actions of SJAA and/or the passage of time.

**Permanently Restricted Net Assets**—Net assets to be held in perpetuity as directed by donors. The income from the contributions is available to support activities as designated by the donors.

Revenues are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets and liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor restriction or by law.

**Support and Revenues:**

The majority of support and revenues are received from the City of San Jose for the operation of San Jose Arena Authority.

**Recognition of Donor Restrictions:**

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended June 30, 2016**  
(See Independent Accountant's Compilation Report)

**Office Equipment, Furniture and Fixtures:**

Office furniture and equipment is recorded at cost. Depreciation is computed on a straight-line basis over estimated useful lives of 5-20 years.

**Accrued Vacation:**

Vacation pay is accrued for full-time, salaried employees based upon their length of service at the following:

<u>Service</u>	<u>Vacation Days</u>
1-3 years	10 days
3-5 years	15 days
5-10 years	20 days
After 10 years and there after	25 days

There is no maximum amount of accrued vacation. Accrued vacation represents vacation carried, but not taken as of June 30, 2016 and is included in "accrued liabilities" in the statement of financial position. The accrued vacation balance as of June 30, 2016 was \$5,755.

**Income Taxes:**

The organization is a non-profit corporation that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and related California code sections.

**Use of Estimates:**

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates under different assumptions of conditions.

**Functional Allocation of Expenses:**

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

**Cash and Cash Equivalents:**

Cash equivalents consist of highly liquid investments with an initial maturity of three months or less. Fair value approximates carrying amounts.

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS (Continued)**  
**For the Year Ended June 30, 2016**  
(See Independent Accountant's Compilation Report)

**NOTE 2 – FAIR VALUE MEASUREMENTS**

The SJAA measure fair value in accordance ASC Topic 820, Fair Value Measurement. ASC 820 applies to all financial instruments that are being measured and reported on a fair value basis.

ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

**Level 1:** Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

**Level 2:** Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.

**Level 3:** Inputs are unobservable. Valuations for assets and liabilities that are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

**NOTE 3 - OFFICE EQUIPMENT, FURNITURE AND FIXTURES**

Office equipment, furniture and fixtures, and office improvements consist of the following at June 30, 2016:

Equipment	\$ 10,618
Furniture and fixtures/office improvements	<u>53,461</u>
	64,079
Less accumulated depreciation	<u>59,409</u>
	<u>\$ 4,670</u>

**SAN JOSE ARENA AUTHORITY**  
**(A Non-Profit California Corporation)**  
**NOTES TO FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2016**  
(See Independent Accountant's Compilation Report)

**NOTE 4 – TEMPORARILY RESTRICTED NET ASSETS**

Net assets were released from donor restrictions by incurring expenses satisfying the purpose restrictions specified by donors as follows:

Purpose restriction accomplished:	
Oversight of Arena, Sharks Ice and Municipal Stadium	<u>\$ 234,311</u>

**NOTE 5 - OPERATING LEASE**

The Organization leases office equipment under a non-cancelable agreement which require minimum lease payments plus sales tax. Lease payments for equipment for the year ended June 30, 2016 totaled \$1,914.

Future lease payments are as follows:

Year Ended	
<u>June 30,</u>	
2017	<u>\$ 0</u>

**NOTE 6 – DONATED SERVICES**

For the year ended June 30, 2016, the Organization recognized \$7,597 of donated services for tax preparation.

**NOTE 7 – SUBSEQUENT EVENTS**

The management of the SJAA have reviewed the results of operations and evaluated subsequent events for the period of time from its year end June 30, 2016 through November 11, 2016, the date the combined financial statements were available to be issued, and have determined that no adjustments are necessary to the amounts reported in the accompanying combined financial statements nor have any subsequent events occurred, the nature of which would require disclosure.



# San Jose Arena Authority

## Memorandum

**To:** Bonny Duong, Capital Budget Coordinator  
**From:** Chris Morrissey, Executive Director *CM*  
**Subjects:** Invoices for Reimbursement for Capital Repairs and Replacements at SAP Center at San Jose  
**Date:** October 19, 2016

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Please find attached the following invoices and supporting documents relating to City Council-approved capital repairs and replacements for SAP Center at San Jose.

### *SAP Center at San Jose (Invoice Credit)*

<u>Invoice Number</u>	<u>Invoice Credit Amount</u>	<u>Invoice Date</u>
4581	\$12,452.50	7/31/14

### *SAP Center at San Jose Invoices*

<u>Invoice Number</u>	<u>Invoice Amount</u>	<u>Invoice Date</u>
6213 (Emergency Repairs)	\$45,527.29	4/21/16
6578 (FY 2015-16)	\$2,095,141.63	10/12/16

**Total:** **\$2,140,668.92**

Please note that I have taken an opportunity to inspect all work listed on the invoices with Rich Sotelo, Vice President of Building Operations with SAP Center Management, and have found the work to be of a satisfactory nature. Additionally, I have checked the invoices and supporting documents for accuracy and found them to be complete. If you have any comments or questions relating to these items, please contact me directly at [morrissey@sjaa.com](mailto:morrissey@sjaa.com) or at 408-977-4783. Also, please advise the Arena Authority when the reimbursement check is available for delivery.

cc: Members of the San Jose Arena Authority Board of Directors